



The State of Delaware

COVID-19 Benefit Enhancements

State Employee Benefits Committee

April 25, 2022

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COVID-19 benefit plan changes

Overview

- The SEBC has previously opted to elect several benefits enhancements to support members during the COVID-19 pandemic, including but not limited to:
 - Waiving member cost share for certain services related to the diagnosis and treatment of COVID-19 or associated complications
 - Extending EAP coverage to all State employees
 - Waiving member cost share for telehealth visits
 - Allowing extended COBRA election periods
 - Extending the deadline for requesting HIPAA special enrollments
 - Extending the deadline for filing benefit claims or appeals or requesting an external review of an adverse benefits determination
- The duration of these benefit enhancements have been tied to either regulatory requirements (such as the IRS loosening some of the rules governing flexible spending accounts in 2020 and 2021) or the end of the national public health emergency period
- During the COVID-19 pandemic, there are two separate “emergency” events that expire at different times and impact employee benefit plans differently, and the GHIP has benefit enhancements that are tied to each separate emergency event

COVID-19 benefit plan changes

“Emergency” events impacting employee benefit plans

■ ***National Emergency Declaration***

- Issued by the President, can remain in effect for one year (unless the President rescinds it earlier), and was recently extended by President Biden to April 1, 2023
- The extension of the national emergency has implications for group health plan sponsors, specifically with respect to the “Outbreak Period” rules
- The Outbreak Period guidance issued by the Departments of Labor and Treasury provided relief to employer-sponsored welfare benefit plans (including group health plans), as well as participants in those plans, from having to comply with certain deadlines
- In general, the Outbreak Period guidance extended deadlines for the following:
 - Making COBRA elections
 - Making COBRA premium payments
 - Providing COBRA election notices (from the plan administrator to qualified beneficiaries)
 - Requesting HIPAA special enrollments
 - Filing benefit claims or appeals or requesting an external review of an adverse benefits determination
 - Deadlines for these requirements are extended until the earlier of (1) 60 days following the declared end of the National Emergency period; or (2) one year from the date the plan or individual’s deadline period would have commenced (which will vary by individual occurrence)
- The GHIP has implemented these extended deadlines in accordance with the above requirements

COVID-19 benefit plan changes

“Emergency” events impacting employee benefit plans (continued)

■ **Public Health Emergency**

- Issued by the Department of Health and Human Services in 90-day increments; recently extended to July 15, 2022
- While in effect, group health plans are required to cover FDA-approved testing needed to detect or diagnose COVID-19, including over-the-counter COVID-19 tests, and the administration of that testing without cost-sharing or barriers (such as prior authorization or other medical management requirements) while there is a declared Public Health Emergency
- In addition, while non-grandfathered group health plans must provide first dollar coverage for COVID-19 vaccines and other preventive services, they are only required to cover COVID-19 preventive services received out-of-network during the Public Health Emergency
- The GHIP has implemented these coverage enhancements in accordance with the above requirements, and has additionally implemented other benefit changes that are tied to the “national public health emergency” and are outlined on the following slide

COVID-19 benefit plan changes

Modified end date considerations – medical / EAP

- The following benefit enhancements previously implemented by the SEBC have an end date specified as extending “for no more than 30 days following the end of the COVID-19 national public health emergency”
 - Several of these benefits align with services outlined in the group health plan requirements under the Public Health Emergency declared by DHSS, which has been extended to July 15, 2022
 - If held to that date, then these benefit enhancements would end well before other COVID-19 benefit enhancements implemented for the GHIP that are tied to the National Emergency Declaration
- Aligning the extension of these benefit enhancements to the National Emergency Declaration would bring greater consistency to how all benefit enhancements are administered by the GHIP

Benefit Plan	Change	Optional / Legislation	Cost (per 3-month extension)	Approval Date for Change	Start Date
EAP	Coverage for all SOD employees	Optional	\$16,800	3/18/2020	3/19/2020
Medical	No member cost share for office visits (PCP, urgent care, ER) that result in either order or administration of COVID-19 test or for treatment of COVID-19 or associated health complications	FFCRA ¹	— ²	3/18/2020	3/18/2020
Medical	No member cost share for in-network, inpatient services related to treatment of COVID-19 or associated complications	Optional	\$0.2m-\$0.3m ³	4/2/2020	4/2/2020
Medical	No member cost share for any telehealth visits	Optional	\$150,000 (est.) ⁴	3/20/2020	3/20/2020

1 FFCRA = Families First Coronavirus Response Act.

2 Not valued separately – cost included in medical estimate for expanding in-network inpatient treatment of COVID-19 shown in recommendation 1 above.

The content on this slide has been updated by SBO based on content originally prepared by WTW and presented to the SEBC on 6/8/2020, 9/14/20, 12/14/20 and 3/8/21.

3 Based on estimated annual cost of \$0.7m - \$1.2m calculated for all medical plans, adjusted for 3 months of FY20.

4 Telehealth visit cost estimate based on 2022 utilization provided by Aetna and Highmark, annualized; assumes cost sharing would apply to all telehealth visits (\$15 copay HMO, \$20 copay PPO, 10% coinsurance CDH Gold and First State Basic plans); assumes average \$90 allowed cost per telehealth visit for coinsurance amounts; reflects offsetting savings for reduced cost of virtual behavioral health visits relative to in-person behavioral health visits based on IBM Watson Health reporting.

COVID-19 benefit plan changes

Modified end date considerations – pre-tax commuter (PTC) benefit

- Claim deadlines have been removed due to the pandemic as most employees are no longer traveling to/from their work location and aren't incurring commuter expenses such as transit fees and parking
- A participant in the PTC benefit would need to re-start contributions in order to incur expenses when they start commuting again
- Some employees currently have unused PTC funds, which the State would be able to allow those participants to use for services incurred after their contributions stop (provided that all PTC participants have the same opportunity to do so)
- This would allow employees to utilize any unused funds to date and may lessen any employee concerns should the State wish to reinstate a claim submission deadline

- **Consideration for the SEBC:** Allow all plan participants to access unused PTC funds to pay for services incurred prior to restarting contributions, continuing until at least 30 days following the end of the National Emergency Declaration and further evaluated at that point to consider the status/impact of the I-95 corridor project
 - Mitigates adverse impact to employees who stopped contributions abruptly to COVID-19 and have unused PTC funds
 - Provides more flexibility for employees due to the uncertainty currently with the I-95 corridor project and its impact on commuting into the City of Wilmington

Next steps

- SEBC to consider vote on aligning extension of COVID-19 benefit enhancements to the National Emergency Declaration

- Changes for SEBC consideration:
 - Extend EAP coverage for all State employees for no more than 30 days following the end of the National Emergency Declaration
 - Extend no member cost share for IP/OP admissions related to COVID-19, or office visits (PCP, urgent care, ER) that result in order or administration of COVID-19 test for all members for no more than 30 days following the end of the National Emergency Declaration
 - Extend no member cost share for in-network, inpatient services related to COVID-19 for no more than 30 days following the end of the National Emergency Declaration
 - Extend no member cost share for any telehealth visits for no more than 30 days following the end of the National Emergency Declaration
 - Allow all plan participants to access unused PTC funds to pay for services incurred prior to restarting contributions, continuing until at least 30 days following the end of the National Emergency Declaration and further evaluated at that point to consider the status/impact of I-95 project